John,

KS is considering the offer that was first brought to his attention by a national campaign staffer. As KS considers this he needs to look at what he would need to replace should he leave the MB campaign. The following financial requirements are things he'd be giving up and would need to have matched if he leaves MB.

Salary Requirements and other financial requirements:

KS needs to match his current salary of $8,000 a month. This has been promised to him, even after MB drops out of the race, for the majority of 2012. As a result, KS would need to be on payroll into the Fall of 2012.

CD works for and with KS and would leave the MB campaign with him. He would have to have his salary matched ($5,000 monthly) through April of 2012, when he was currently scheduled to quit the MB campaign. He would need to remain in Iowa. He would perhaps be able to handle some minor travel out of state, but not much.

We have established the Iowa Conservatives Fund PAC as an entity that KS will be using to recruit and elect good candidates to the Iowa General Assembly. (C4 will follow after next legislative session.) It's KS's leadership PAC. He would need a donation of $100,000 into this PAC prior to this action.

Timing:

There is a Senate leadership vote scheduled for November 10. KS is weighing a run for leader and as such can't drop out of the MB campaign or endorse RP prior to November 11 as there are votes that he would lose as a result.

Jedd and I were hashing out the time angle and we (the Iowa group) like the idea that Jedd was kicking around of having a week or ten day period between KS leaving MB and endorsing RP. (On a personal note, I think that this needs to happen as KS doesn't want to publicly embarrass MB and this would help mitigate that.)

Lists:

Certain NDA's have been entered into with certain parties. That said, a list of MB identified voters is easily and legally accessible. This list is part of the compensation that KS and CD are receiving for their work for MB. This list will not be available to RP2012.

However, if the campaign wants to send mail to these people to announce KS's RP endorsement we will be willing to have a 3rd party mail shop in Des Moines handle that. This shop, by the way, handled all of the RP2008 mail and is very professional.

Final approval of this letter will rest with KS.

Drew Ivers:

1. Drew will have to give a glowing acceptance of KS's RP endorsement. While we realize that he can't directly apologize for maligning KS and the Dorrs for the last 6 months in this statement, he can certainly go out of his way to make it clear how much he values KS, etc.

2. Drew will also have to come through on the promised apology letter to the board of Iowa Gun Owners for his public statements attacking IGO and its staff. This should be simple since it's basically been promised to IGO via Benton and was already drafted by Coburn. This will be filed away and not used publicly. However the members of IGO who are dual members of CFL or supporters of RP2012 who've contacted us after becoming angry over Drew's unfortunate comments will be made aware of the resolution of this issue.

<u>Misc</u>:

1. The money for salary and the PAC needs to be paid in advance. To be blunt, there is an issue of trust involved, likely on both sides, and as a result KS, etc. needs to have the financial side met in advance.

2. KS agrees to not endorse, support or help any other candidate in the 2012 cycle. Honestly, there is no one else he'd even consider, given the field.

3. At the same time, KS has to have the ability to mildly disagree in his emphasis with RP's social positions on life and marriage. While aggressively praising RP for his willingness to defund Planned Parenthood and the homosexual machines, KS will be able to differ, in emphasis, from RP on the social issues mentioned. This is the tough part. Most all of Western IA region is disgusted with RP's perceived stances on these issues. Little towns like Orange City, Le Mars, and Sioux Center, IA, where the paper just endorsed Santorum, believe the hype regarding RP's stance on drugs and homosexuality is true. They actually said in the paper this week that RP will be worse than Obama on these issues as well as on foreign policy. This gives KS the room he needs to both aggressively praise RP and protect himself.

This also is the kind of voting block that would most likely be moved by a KS endorsement. Reasonable minds can differ, but Santorum is gaining rapid steam in Western Iowa in a perceived vacuum of candidates who support social conservatism. KS's involvement would enable RP to have a real shot in that part of the state.

<u>What RP2012 would receive</u>: (in no particular order)

1. KS endorsement of RP. The voice he commands in Iowa is no secret to any of you so I'll not belabor that point. But I will mention that as he's been the letter signer for Iowa Gun Owners for three years and the letter signer for Iowa Pro-Life Action since it was formed this year, hundreds of thousands of pieces of mail have gone out with his name on it building his political impact up. Through the work of these organizations and all of the votes he's forced on these issues he has become thee voice for Iowans who are passionate on guns and life.

2. KS would naturally speak at RP events in Iowa and be visible with him. His exact role beyond that is something that we'd need to work out. Please let us know what you are envisioning.

3. Home-school connections. Of course you've got your own "Homeschoolers for RP" program but we are in possession of the list of the main Iowa home-school group here in Iowa allowing for targeted home-school mail.

4. Long term benefit. The Iowa Conservatives Fund PAC is brand new. It is chaired by a long time Ron Paul donor and 5th Congressional coordinator, Kevin Wolfswinkel. (Kevin is not the current coordinator, mostly due to the way he's been treated or was not treated by Drew Ivers.) The PAC's day to day operations are going to be administered by the Dorr brothers, both "graduates" of numerous Rothfeld schools, have worked for the National RTW and have a proven track record at developing and running state wide grassroots political organizations. KS is going to be the chief fundraiser, letter signer, bill sponsor and figurehead.

ICFPAC was created for the purpose of electing like-minded individuals into the Iowa legislature. Its short-term focus is to find, train and elect primary candidates against RINO's who have broken their written word on pro-life and pro-gun surveys and who live in the most vulnerable districts. We already have some excellent candidates who have agreed to primary incumbents.

ICFPAC is committed to a long-term agenda. The money that RP2012 provides to this PAC will be used as seed money for building a long-term, self-sustainable political organization that will fight for our mutual goals and which will dramatically change the political climate in Iowa to a more favorable one a couple of years from now. In case you don't know, Glen Massie and Kim Pearson are not seeking re-election and so we'll need to elect more Paul supporting legislators that would be useful, assuming (which could certainly be a mistake) a Rand Paul run in the future.

In a nutshell, this PAC will boost the KS name about 5x as big as it is today. Between this PAC, Iowa Gun Owners, and Iowa Pro-Life Action we will continue to build a major state based movement that will involve far more people into a future Rand Paul presidential run. Or, in other words, we will continue to do what the state CFL chapter refused to do for the last four years.

That's not said to make a statement or further a personality based tit-for-tat, it's a simple fact. We are confident that as we continue to do what we are doing on the grassroots level that KS will benefit, RP will benefit, and RP2016 (if such a thing occurs) will greatly benefit.